



JTPA

Number: D96-22

Serving the People of California

DIRECTIVE

Date: April 14, 1997

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TO: SERVICE DELIVERY AREA ADMINISTRATORS
PRIVATE INDUSTRY COUNCIL CHAIRPERSONS
JTPD PROGRAM OPERATORS
EDD JOB SERVICE OFFICE MANAGERS
JTPD STAFF

SUBJECT: DEBARMENT OF SERVICE PROVIDERS FROM RECEIPT OF JTPA
FUNDING

EXECUTIVE SUMMARY:

Purpose:

This Directive transmits the policy and procedures for identifying service providers who are indebted to the State or a Service Delivery Area (SDA) and excluding them from the Job Training Partnership Act (JTPA) program.

Scope:

This Directive applies to all entities that receive JTPA funds provided by and through the State of California.

Effective Date:

This Directive is effective upon its release.

REFERENCES:

- JTPA Section 164(b)(1)(B)(ii)
- Title 20 Code of Federal Regulations (CFR), Sections 626.5 and 627.424
- California Unemployment Insurance Code (CUIC), Section 15061(b)
- JTPA Interim Directive 95-07: Debt Collection

STATE-IMPOSED REQUIREMENTS:

This Directive contains only State-imposed requirements.

FILING INSTRUCTIONS:

This Directive supersedes JTPA Interim Directive 95-08, dated June 12, 1995. Retain this Directive until further notice.

BACKGROUND:

In 1993, the Family Economic Security Act (FESA) was amended to require SDAs to report service providers who had not paid their final debts or established a payment plan. Section 626.5 in the CFR redefined the term “service provider” by removing the term subrecipient from its definition. Vendors who provide educational, training, employment or supportive services to JTPA participants are now included as service providers.

POLICY AND PROCEDURES:

General:

The debarment provision applies to all service providers, including any branch offices of service providers and to any service provider known by an SDA to have an unpaid final debt whether or not the service provider appears on the list published by the Job Training Partnership Division (JTPD).

Procedures:

1. On or before each April 1, each SDA Administrator will submit to JTPD's Policy Unit a list of service providers that have not, as of that date, fully paid or entered into and complied with an approved installment repayment agreement (as described in JTPA Interim Directive 95-07: Debt Collection) with respect to a JTPA-related final debt established on or before February 1 of the report year. The list of service providers with an unpaid debt will be submitted on the attached form, “JOB TRAINING PARTNERSHIP ACT INDEBTED SERVICE PROVIDERS,” or a reasonable facsimile that includes the information specified on the form. Please note that a report is required even if there are no debtors.
2. If a service provider resolves the unpaid debt, the SDA list may be amended. A request signed by the SDA Administrator must be submitted to JTPD no later than April 15.
3. All SDA Administrators will ensure that the service providers on the JTPD debarment list do not receive any JTPA funds beginning July 1. Contracts or subgrants that cross fiscal years must contain a clause that provides for termination of the contract or subgrant effective July 1, if the service provider is identified on the JTPD debarment list issued on May 1.
4. Any service provider known to an SDA to have a debt and to be lacking a fully approved repayment agreement must be denied new or further JTPA funding by that SDA even though the service provider is not included on the JTPD debarment list.
5. Service providers do not have the right to appeal their debarred status since all appeal rights were exhausted during the process of establishing the final debt.

ACTION:

Bring this Directive to the attention of all affected staff and service providers.

INQUIRIES:

If you have any questions about information contained in this Directive, please contact your Program Manager or Jean Cole of the Policy Unit at (916) 654-8284.

/S/ BILL BURKE
Acting Chief

Attachments are not available on line. To obtain a copy e-mail JTPD at JTPDLIB@EDD.CA.GOV or contact Jim Scholl at (916) 657-4610.

1. Job Training Partnership Act Indebted Service Providers